Detailed Table of Contents

Part
Ι

Introduction

Chapter	
1.1	

Introduction

What is the "Cohort Default Rate Guide?"1.1-	-1
What kind of cohort default rates	
are not covered in this Guide?1.1-	-1
How is this Guide organized?1.1-	-2
How does this version of the Guide differ	
from previous versions of the Guide?1.1-	-3
How does a school or data manager use this Guide?1.1-	-4
How can a school or data manager	
provide feedback on this Guide?1.1-	-6



General Information

Chapter 2.1

Calculating Cohort Default Rates

2.1-1	What is a cohort default rate?.
	Which types of loans are included
2.1-2	in the cohort default rate calculation?.
	When are cohort default rates sent to schools?.
2.1-3	Who receives cohort default rates?.

	What are the consequences of cohort default rates?2.1-5
	What are the time frames for cohort default rates?2.1-6
	How does the Department calculate a school's cohort default rate?2.1-7
	Which formula does the Department use to calculate a school's draft cohort default rate?2.1-9
	Which formula does the Department use to calculate a school's official cohort default rate?2.1-9
	What is an unofficial cohort default rate?2.1-9
	How does the Department determine which loans are placed in the denominator of the cohort default rate calculation?2.1-9
	How does the Department determine which loans are placed in the numerator of the cohort default rate calculation?2.1-10
	How do consolidation loans affect the numerator of the cohort default rate calculation?2.1-11
	How does loan rehabilitation affect the numerator of the cohort default rate calculation?2.1-11
	Are there any special circumstances that affect how a borrower will be included in the cohort default rate calculation?2.1-12
	What effects do Department actions have on the cohort default rate calculation?2.1-16
Chapter 2.2	Cohort Default Rate Effects
	Why are cohort default rates important?2.2-1
	Are there any sanctions or benefits associated with draft cohort default rates?2.2-1
	Will a school's draft cohort default rate and official cohort default rate be the same?2.2-1
	Are there any benefits for schools with low official cohort default rates?2.2-2

Are there any sanctions associated with
high official cohort default rates?2.2-3
One a calcal avoid the constinue acceptated
Can a school avoid the sanctions associated
with high official cohort default rates?2.2-4
Do cohort default rate sanctions apply to
Historically Black Colleges or Universities,
Tribally Controlled Community Colleges,
and Navajo Community Colleges?2.2-5
and Navajo Community Coneges :
Are there any consequences if a school
submits adjustments and/or appeals
but fails to avoid sanctions?2.2-5
If a school is subject to sanction,
when does the sanction take effect?2.2-6
How does a school withdraw from or reapply
for participation in the Title IV loan programs?2.2-7
ioi participation in the ritie is toan programs:
Chapter
2.3 Loan Record Detail Report
What is a loan record detail report?2.3-1
Why should a school review its
loan record detail report?2.3-1
Which schools receive hardcopy
loan record detail reports?2.3-2
·
What is an electronic loan record detail report?2.3-3
Con a sahaal ragusat a haydaany ay alaatyania
Can a school request a hardcopy or electronic
Can a school request a hardcopy or electronic loan record detail report from the Department?2.3-4
loan record detail report from the Department?2.3-4
• • • • • • • • • • • • • • • • • • • •
loan record detail report from the Department?2.3-4 Are the loan record detail reports
loan record detail report from the Department?2.3-4 Are the loan record detail reports
loan record detail report from the Department?
Are the loan record detail reports subject to the Privacy Act?
Are the loan record detail reports subject to the Privacy Act?

Chapter 2.4	Change in Status and Evasion
	What is a change in status?2.4-1
	How does a school's change in status affect the school's cohort default rate?2.4-2
	What types of actions are considered attempts to evade cohort default rate consequences?2.4-4
Chapter 2.5	Department Offices and Addresses
	Introduction 2.5-1
	Default Management 2.5-2
	Case Management 2.5-3
	Direct Loan Schools Relations2.5-4
	Other Department Offices2.5-6
Chapter 2.6	General Information Tools
	Instructions for Requesting Cohort Default Rates from the National Student Loan Data System (NSLDS)2.6-1
	General Information About the Electronic Loan Record Detail Report2.6-1
	Instructions for Requesting an Electronic Loan Record Detail Report2.6-2
	Electronic Loan Record Detail Extract File Layout and Detailed Repayment Information Extract File Layout2.6-4
	Alphabetical Data Manager Contacts2.6-10
	Numerical Data Manager Contacts2.6-11



Strategy

Chapter 3.1

School Strategies

Why should a school review this chapter?3.1-1
What strategies can a school employ in relation to the release of the draft and official cohort default rates?
What is repayment information?3.1-4
What are the benefits of reviewing repayment information?
What types of repayment information are available? 3.1-5
What actions can a school take to help process the draft and official cohort default rates? 3.1-6
How does a school prepare for the release of the cohort default rates? 3.1-6
When are cohort default rates sent to schools? 3.1-7
How does a school review its cohort default rate data?3.1-8
How does a school determine if it should submit a challenge, adjustment, or appeal? 3.1-9
Why should a school that is not subject to sanction contest inaccurate data on the loan record detail report? 3.1-12
How does a school determine if there is inaccurate data on the loan record detail report?
How does a school contest inaccurate data on the loan record detail report?
How does a school contend that it has exceptional mitigating circumstances that should prevent the school from being subject to sanction due to its cohort default rate?
What are the time frames for submitting a challenge, adjustment, or appeal? 3.1-17
How does a school or data manager use the time frames chart?3.1-17



Data Manager Strategies

Why should a data manager review this chapter? 3.2-1
What strategies can a data manager employ before the release of the draft and official cohort default rates?
What strategies can a data manager employ to help process challenges, adjustments, and appeals? 3.2-2
What should a data manager do if it receives an incorrect submission from a school?
What should a data manager do if the school's challenge, adjustment, or appeal is successful? 3.2-5
How does a data manager keep the Department informed about its cohort default rate actions? 3.2-5
3.3 Strategy Tools
Repayment Information Tools
What types of repayment information are available?
How does a school obtain summary repayment information?3.3-2
How does a school obtain detailed repayment information?3.3-3
How does a school read a detailed repayment information extract file?
Is repayment information subject to the Privacy Act? 3.3-7
School Tools
Data Manager Tools
Data Manager Monthly Status Report Instructions 3.3-10
Which Department address does a data manager use for submitting a monthly status report?
Full-Sized Blank Spreadsheets



Challenges, Adjustments, and Appeals

Chapter
4.1

Incorrect Data Challenge

What is an incorrect data challenge?4.1-1
Which schools are eligible to submit an incorrect data challenge?4.1-1
What benefit will a school gain from submitting an incorrect data challenge?4.1-2
What roles do the Department and data managers have in a school's incorrect data challenge?4.1-3
How does a school submit an incorrect data challenge?4.1-4
How does a school identify the data manager of a loan?4.1-6
How does a data manager respond to a school's incorrect data challenge?4.1-6
Which Department address does a data manager use for submitting a copy of its incorrect data challenge response?4.1-12
What does Default Management do with a data manager's incorrect data challenge response?4.1-13
What does a school do with a data manager's incorrect data challenge response? 4.1-13
Participation Rate Index Challenge
What is a participation rate index challenge?4.2-1
Which cohort default rate can be used to determine a participation rate index challenge?4.2-1

Which schools are eligible to submit a participation rate index challenge?4.2-2
What benefit will a school gain from submitting a participation rate index challenge?4.2-2
Are participation rate index challenges based on a specific period of time? 4.2-2
How does a school calculate its participation rate index? 4.2-4
Does a school need to wait until the draft cohort default rate is released to prepare its participation rate index challenge?4.2-6
What roles do the Department and data managers have in a school's participation rate index challenge?4.2-6
How does a school submit a participation rate index challenge?4.2-7
Which Department address does a school use for submitting a participation rate index challenge?4.2-8
What happens after the school submits the participation rate index challenge? 4.2-10
What happens to a school's participation rate index challenge after the release of the official cohort default rates?4.2-10
Uncorrected Data Adjustment
What is an uncorrected data adjustment?4.3-1
Which schools are eligible to submit an uncorrected data adjustment? 4.3-2
What benefit will a school gain from submitting an uncorrected data adjustment?4.3-2
What roles do data managers have in a school's uncorrected data adjustment?4.3-2
How does a school submit an uncorrected data adjustment?4.3-3

Which Department address does a school use for submitting an uncorrected data adjustment?4.3-6
What happens after the school submits the uncorrected data adjustment? 4.3-6
4.4 New Data Adjustment
What is a new data adjustment?4.4-1
What is new data? 4.4-1
What if the new data is correct?4.4-1
Which schools are eligible to submit a new data adjustment?4.4-2
What benefit will a school gain from submitting a new data adjustment?4.4-3
What roles do the Department and data managers have in a school's new data adjustment?4.4-3
How does a school submit new data adjustment allegations to a data manager?4.4-4
How does a school identify the data manager of a loan?4.4-8
How does a data manager respond to a school's new data adjustment allegations?4.4-8
Which Department address does a data manager use for submitting a copy of its new data adjustment allegations response?
What does a school do with the data manager's new data adjustment allegations response?4.4-14
Which Department address does a school use for submitting a new data adjustment?4.4-16
What happens after the school submits the new data adjustment?4.4-16



Erroneous Data Appeal

What is an erroneous data appeal?4.5-1
What is new data? 4.5-1
What if the new data is correct?4.5-1
What is disputed data?4.5-2
Which schools are eligible to submit an erroneous data appeal?4.5-2
What benefit will a school gain from submitting an erroneous data appeal?4.5-3
What roles do the Department and data managers have in a school's erroneous data appeal?4.5-3
How does a school submit erroneous data appeal allegations to a data manager?4.5-4
How does a school identify the data manager of a loan?4.5-8
How does a data manager respond to a school's erroneous data appeal allegations?4.5-8
Which Department address does a data manager use for submitting a copy of its erroneous data appeal allegations response?4.5-1
What does a school do with the data manager's erroneous data appeal allegations response?4.5-1
Which Department address does a school use for submitting an erroneous data appeal?4.5-1
What happens after the school submits the erroneous data appeal?4.5-1
How does provisional certification affect a school's ability to submit an erroneous data appeal?4.5-1



Loan Servicing Appeal

What is a loan servicing appeal?4.6-1
When is a defaulted FFEL considered improperly serviced for cohort default rate purposes?4.6-1
When is a defaulted Direct Loan considered improperly serviced for cohort default rate purposes?4.6-2
Which schools are eligible to submit a loan servicing appeal?4.6-3
What benefit will a school gain from submitting a loan servicing appeal?4.6-3
What roles do the Department and data managers have in a school's loan servicing appeal?4.6-4
How does a school submit a request for loan servicing records?4.6-5
How does a school identify the data manager of a loan?4.6-6
What does a data manager do when it receives a school's request for loan servicing records? 4.6-8
What if the data manager requires that a fee be paid to obtain loan servicing records?
How does a data manager respond after determining that it is appropriate to send the loan servicing records? 4.6-13
Which Department address does a data manager use for submitting a copy of the response to a request for loan servicing records?4.6-10
What does the school do with the data manager's response to the school's
which Department address does a school use
for submitting a loan servicing appeal?



Economically Disadvantaged Appeal

	What is an economically disadvantaged appeal?4.7-1
	What benefit will a school gain from submitting an economically disadvantaged appeal?4.7-1
	Are economically disadvantaged appeals based on a specific period of time?4.7-2
	How does a school calculate its low income rate?4.7-3
	How does a non-degree-granting school calculate its placement rate?4.7-4
	How does a degree-granting school calculate its completion rate?4.7-6
	Does a school need to wait until it receives a notice of loss of eligibility to calculate its low income rate and placement rate or low income rate and completion rate?
	How does a school submit an economically disadvantaged appeal?4.7-8
	Which Department address does a school use for submitting an economically disadvantaged appeal?4.7-12
	How does an independent auditor review the management's written assertion?4.7-12
	What happens after the school submits the independent auditor's written opinion?4.7-16
hapter	What roles do data managers have in a school's economically disadvantaged appeal?4.7-18
4.8	Participation Rate Index Appeal
	What is a participation rate index appeal? 4.8-1
	Which cohort default rate can be used to determine a participation rate index appeal?4.8-1
	Which schools are eligible to submit a participation rate index appeal?4.8-2
	What benefit will a school gain from submitting a participation rate index appeal?4.8-2
	Are participation rate index appeals based on a specific period of time?4.8-2

How does a school calculate its participation rate index?4.8-4
Does a school need to wait until the official cohort default rate is released to prepare its participation rate index appeal?4.8-6
What roles do the Department and data managers have in a school's participation rate index appeal?4.8-6
How does a school submit a participation rate index appeal?4.8-7
Which Department address does a school use for submitting a participation rate index appeal?4.8-8
What happens after the school submits the participation rate index appeal? 4.8-10
4.9 Average Rates Appeal
What is an average rates appeal?4.9-1
How does a school qualify for a successful average rates appeal if the school is subject to sanction because of three consecutive cohort default rates that are 25.0 percent or greater?
How does a school qualify for a successful average rates appeal if the school is subject to sanction because of a cohort default rate that is greater than 40.0 percent?
How does the average rates appeal process begin?4.9-2
What if a school disagrees with the initial determination by Default Management?4.9-3
Which Department address does a school use for submitting an average rates appeal?
4.10 Thirty-or-Fewer Borrowers Appeal
What is a thirty-or-fewer borrowers appeal?4.10-1
How does a school qualify for a successful thirty-or-fewer borrowers appeal?4.10-1
How does the thirty-or-fewer borrowers appeal process begin?4.10-1
What if a school disagrees with the initial determination by Default Management?4.10-2
Which Department address does a school use for submitting a thirty-or-fewer borrowers appeal?4.10-2



Challenge, Adjustment, and Appeal Tools

Which address does a school or data manager use for submitting challenge, adjustment, or appeal materials to Default Management?4.11-1
Incorrect Data Challenge, New Data Adjustment, and Erroneous Data Appeal Tools4.11-2
What types of loan record detail report allegations may a school submit as a part of an incorrect data challenge, new data adjustment, or erroneous data appeal?4.11-2
What supporting documentation does a school need to submit with its allegations?4.11-2
Does a school need to submit loan record detail report pages with its allegations?4.11-3
What specific allegations and supporting documentation can a school submit?4.11-4
Spreadsheet Tools
General Spreadsheet Information 4.11-9
Incorrect Data Challenge / New Data Adjustment / Erroneous Data Appeal Spreadsheet Instructions4.11-12
Participation Rate Index Spreadsheet Instructions4.11-14
Uncorrected Data Adjustment / New Data Adjustment Spreadsheet Instructions4.11-16
Loan Servicing Appeal Spreadsheet Instructions4.11-18
Low Income Rate Spreadsheet Instructions4.11-20
Placement Rate Spreadsheet Instructions4.11-22
Completion Rate Spreadsheet Instructions4.11-24
Full-Sized Blank Spreadsheets4.11-26
Glossarv

Index of Key Terms

Appendix A